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1985 Guide To Systems, Services & Vendors

An Inside Report On The Plans Of The 99th Congress

Conflicts Over Contracts: A Modern-Day Fable

What Brokers Can And Can't Do For You

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COVER STORY

11 GUIDE TO COMPUTER SOFTWARE, SYSTEMS, SERVICES AND VENDORS
From mainframe to mini, from mileage calculation to MRP—it's all contained in our comprehensive directory of computer systems and software, along with many new systems never before listed.

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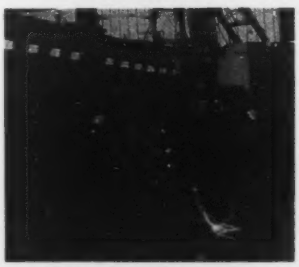

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DIALOGUE

The Claims column and accompanying Dialogue questions in the November issue evoked as much outrage from readers, and the Shippers National Freight Claim Council (SNFCC) in particular, as any we've presented recently. SNFCC Executive Director William Augello's challenge of railroad liability policies, and his response to our challenge to make specific grievances public are given further treatment in this issue. (Claims, p. 73 and Last Pickup, p. 104). On this page are some of the responses we received from you, our readers, on the same subject. The replies to our November Dialogue questions were razor-sharp, although the number of returns was surprisingly, perhaps significantly, small. The railroads were not the only ones blasted by those readers who did reply—shippers and even Bill Augello himself took some shots. Sadly, few of this second group were willing to identify themselves, so we can't say whether they represent the opinion of shippers who can't, in good conscience, rap policies they really don't think are out-of-line, or those of railroad reps who are defending their home turf.

"The liability question receives more attention than it deserves. Proper packaging and loading go a long way toward controlling damages."**—Unsigned.**

"Service must improve in the area of claims handling or there will be further reallocation to other modes."**—Guy Russo, executive vice president, Nippon Overseas Corp., New York.**

"Rail liability has no adverse effects on our distribution process since we had sufficient corporate insurance coverage."**—A. A. DeJesus, traffic manager, Northrop Corp., Anaheim, Calif.**

"Since deregulation, carriers have systematically inserted provisions in their circulars that limit their liability. Expect this trend to continue. All of these provisions are presented on a 'take-it-or-leave-it' basis."**—Laurence J. Stern, director of transportation, Sunkist Growers, Inc., Van Nuys, Calif.**

"Railroads are making changes in their claim rules that violate the law because they provide no clear choices for shippers and automatic releases."**—Unsigned**

"There needs to be more assistance given to the shipper when dealing with railroads on claims. The railroads are not taking enough responsibility for their actions."**—Robert D. Quig, administrative manager, A. J. Fritz & Co., San Francisco**

"When cargo is entrusted to a carrier, the carrier should be fully liable,

continued

QUESTION OF THE MONTH

This issue marks the third anniversary of ***DISTRIBUTION's*** directory of computer systems and services designed exclusively for the transportation and distribution industry. Since we began this ongoing project, the number of vendors playing the software game has increased dramatically. In addition, new systems offered by both the young bloods and the old familiar faces have been introduced at an even more accelerated pace.

It often seems as if this rush by vendors to grab a piece of the transportation market has outstripped the industry's needs. Are there more systems available than you have need of? Is an umpteenth routing system really of any interest to you? Is one electronic mileage guide better than the next? And more importantly, with all the choices, how do you make your decision when it's time to lay your money down?

Do you go with a big name you know you can trust, or with a small, new supplier you know will be anxious for your business—for a specialist in the function you're looking to computerize, or a company offering anything and everything, including systems that you might want to expand into later?

On the card below, tell us something abut your distribution software shopping habits.

DIALOGUE

- On which do you rely most for software vendor comparisons: _____trade publications _____vendor literature _____user recommendations _____on-site demonstrations

- Which is most important to you in choosing a vendor: _____price _____hardware compatibility _____flexibility _____service/training _____other _____

- There are too many rating and routing systems and not enough that handle claims reporting, carrier performance, load matching, etc.: _____agree _____disagree _____not sure

- Much of the software available through vendors can be duplicated by our company in-house: _____agree _____disagree _____not sure

- The biggest reason for relying on a vendor rather than developing a system in-house is: _____limited manpower _____development and maintenance costs _____lack of computer expertise _____other _____

- I'd like to see more systems tailored for use on a: _____mainframe computer _____mini _____micro

This is what I would like vendors to know about my computer software needs:

_____

_____

_____

_____

_____

OPTIONAL:

NAME (print) _____ TITLE _____

COMPANY _____ PHONE _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

FIGURES IN SPEECH

(Quotes from transportation and distribution notables that caught the ears of DISTRIBUTION Editors while covering the industry meeting and seminar circuit:)

"Not long ago, when ever two or more truckers gathered together, the subject was regulation—how much did we want and how could we stop Teddy Kennedy from beating up on us. Now, when two or more truckers are gathered together the subject is taxation and how do we stop Congress from beating up on us."**—Thomas A. Callaghan, Jr., executive director, Alliance for Simple, Equitable and rational Truck Taxation, before the Arkansas Motor Carriers Association, Fayetteville, Ark.**

•

"Economic historians will eventually acknowledge that 1981 was a year of fundamental change in the distribution services industry. But change confounds before it comforts. Financial stability became key. Industries don't fail, but companies do. Approximately 300 transportation companies discontinued operations. Among the survivors, it remains to be seen who has a history and who has a destiny."**—Robert V. Delaney, vp–strategic planning, Leaseway Transportation, at the Governor's Conference on Intermodal Transportation, Montgomery, Ala.**

unless contracted otherwise by the shipper."**—John H. Stange, traffic manager, Titan Industrial Corp., New York**

"On exempt shipments, I am paying 125 to 150 percent of the rate in existence prior to Staggers for full liability. If I request reduced liability, why are the railroads only offering rates based on pre-Staggers full liability? Where is the trade-off?"**—Michael Ferrise, senior transportation administrator, Wakefern Foods Corp, Elizabeth, N.J.**

"When you ask the transportation industry what their claim ratio is, be sure to ask how many claims are filed against how many are paid. Of course claim ratios are low if a carrier doesn't pay them. As the saying goes, 'litigation is not worth the cost' of most claims which are denied."**—Unsigned**

"How can you negotiate when captive on a single line? It's a take-it-or-leave-it attitude. The Railroad contracts are adhension contracts. My choice of liability terms is limited to two—released liability or a penalty for full value. It should be the reverse."**—Unsigned.**

"I've had no problems at all. Motor carriers give me all my claims problems."**—Unsigned.**

"Railroad marketing personnel play a key role in establishing and implementing liability practices. Their approach has been more even-handed than past dealings with railroad claims departments."**— D.S. Mollenhauer, manager of transportation services, Lamb-Weston, Inc., Portland, Ore.**

SHIPPERS DECLINE RAILS' POLICIES

Since Staggers, full liability rail rates have increased	31 %
decreased	19%
stayed the same	46%
Released rates and contracting for lower rail liability has:	
increased insurance needs	37%
decreased insurance needs	8%
insurance never needed	38%
Alternatives to full rail liability are satisfactory	27%
unsatisfactory	65%
Claims experiences with railroads have been satisfactory	46%
Unsatisfactory	50%
Claims performance is of major importance is selecting a rail carrier	54%
not a major consideration or captive shipper	43%

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